REMARKS

Applicant appreciates the time taken by the Examiner to review Applicant's present application. This application has been carefully reviewed in light of the Official Action mailed June 28, 2005. Claims 27 and 28 have been added. No new matter has been added. Applicant respectfully requests reconsideration and favorable action in this case.

Rejections under 35 U.S.C. § 102

Claims 1, 3-5, 7, 13, 14, 17, 22 and 25 stand rejected as anticipated by U.S. Publication No. 2002/0068629 ("Allen").

The standard for "anticipation" is one of fairly strict identity. A claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference. *Verdegaal Bros. V. Union Oil Co. of California*, 814 F.2d 628, 631, 2 USPQ2d 1051, 1053 (Fed. Cir. 1987), MPEP § 2131.

Applicant respectfully submits that the Examiner has failed to establish that Allen anticipates the pending claims. Allen does not teach all of the claim limitations of Claims 1, 3-5, 7, 13, 14, 17, 22 and 25. As will be shown in further detail below, Allen does not teach or suggest an authorization token.

Claim 1 recites:

> [a] method of conducting a secure transaction with an on-line service while offline comprising the steps of issuing a transaction authorization token to a user from an application server for the on-line service while the user is online; preparing an off-line transaction object containing data to specify and request the transaction; sending a message to the on-line service, said message containing the transaction object and the authorization token; upon receipt of the message, the application server validating the token to authenticate the user and to authorize the transaction; and executing the transaction object if the transaction is authorized.

Claim 1 recites a method of conducting a secure transaction with an on-line service which enables off-line transactions with substantially the same security as PKI, without the requirement of secure network connectivity, and without the need for special PKI software to be run by the end user (Specification – page 3 – lines 13-15). The method includes i) "issuing a transaction authorization token to a user from an application server for the on-line service while the user is online," ii) "preparing an off-line transaction object containing data to specify and request the transaction" iii) "sending a message to the on-line service, said message containing the transaction object and the authorization token" iv)"upon receipt of the message, the

application server validating the token to authenticate the user and to authorize the transaction" and v) "executing the transaction object if the transaction is authorized". These features of the present invention allow a user to conduct part of a secure transaction (i.e., prepare the transaction object) with an on-line service while off-line (i.e., not connected to the on-line service).

Allen does not teach or suggest the claimed method of completing secure transactions with an on-line service while off-line from the on-line service. In particular, Allen does not teach an authorization token. Allen discusses a method which enables a user to connect to a provider server to obtain a gaming application and a gaming token having a monetary value. While offline, the user may play the game and the value of the gaming token may be changed by the gaming application. To redeem the gaming token a user must reconnect to the application server (Allen - Fig. 6). The user authenticates with the server by providing a user name and password, "the client computer establishes and [*sic*] network connection with the gaming provider server. The network connection may be established by submission of a valid password and user ID from the client computer" (Allen - ¶ 50). Thus, the gaming provider server of Allen does not use the gaming token itself to "authenticate the user" as recited by Independent Claim 1. As Allen does not teach "validating the token to authenticate the user", Allen does not teach the authorization token of the present invention.

Therefore, Allen cannot be properly construed as anticipating the claimed method of conducting a secure transaction with an on-line service while offline. Consequently, Allen does not and cannot anticipate the pending claims. Accordingly, withdrawal of the rejection and allowance of Claims 1, 3-5, 7, 13, 14, 17, 22 and 25 is respectfully requested.

Rejections under 35 U.S.C. § 103

Claims 2, 9-12, 15, 16, 19-21, 23, 24 and 26 stand rejected as obvious over by U.S. Publication No. 2002/0068629 ("Allen") in view of U.S. Publication No. 2002/0010638 ("Fischer"). Claims 8 and 18 stand rejected as obvious over by U.S. Patent No. 4,393,269 ("Konheim").

In order to establish a *prima facie* case of obviousness, the Examiner must show: that (1) the prior art references teach or suggest all of the claim limitations, (2) that there is some suggestion or motivation in the references (or within the knowledge of one of ordinary skill in the art) to modify or combine the references and (3) that there is a reasonable expectation of

success. M.P.E.P. 2142, 2143; In re Vaeck, 947 F.2d 488, 20 U.S.P.Q.2d 1438 (Fed. Cir. 1991). The Examiner must explain with reasonable specificity at least one rejection – otherwise, the Examiner has failed procedurally to establish a *prima facie* case of obviousness. M.P.E.P. 2142; Ex parte Blanc, 13 U.S.P.Q.2d 1383 (Bd. Pat Application. & Inter. 1989). When the motivation to combine the teachings of the references is not immediately apparent, it is the duty of the Examiner to explain why the combination of the teachings is proper. Ex parte Skinner, 2 U.S.P.Q.2d 1788, 1790 (Bd. Pat. App. & Inter. 1986).

Applicant respectfully submit that the Examiner has failed to establish a *prima facie* case of obviousness as the references do not disclose, teach, or suggest all of the claim limitations of independent Claim 1 or dependent claims 2, 8, 9-12, 15, 16, 18, 19-21, 23, 24 and 26. As described above, Allen does not anticipate the claimed limitations. Further, there is no motivation to modify Allen such that the claimed limitations are met. Even so, Fischer can not remedy deficiencies of Allen such that their combination teaches the claimed method of conducting secure transactions with an on-line service while off-line from the on-line service.

In contrast to the claimed limitations, Fischer teaches a method for performing e-commerce which includes creating an order-list in an off-line environment, sending the order list to the vendor, making the order list available to the user through a real-time connection between the user and the vendor, and enabling the user to review and approve the order list during the real-time connection (Fischer – abstract). Fischer does not teach or suggest an authorization token. The Examiner points to paragraph 0025 of Fischer for evidence of the claimed limitation of issuing a token to the user via an e-mail message sent from the application server. However, this passage of Fischer appears to describe security measures a vendor may use to verify a transmission's sender's identity. That is, Fischer is concerned with identifying a user sending e-mail messages to an application server. The authentication mechanisms provided in Fischer are all provided by the user in the user's reply email. There is no teaching or suggestion in Fischer of an authentication token provided by an application server while a user is on-line and later authenticating the user based on such application-server-issued authentication token.

Further, Konheim does not remedy deficiencies of Allen such that their combination teaches the claimed method of conducting secure transactions with an on-line service while off-line from the on-line service. Konheim discloses a method and apparatus incorporating a one-way sequence for transaction and identity verification. However, Konheim does not and cannot

remedy the deficiencies of Allen such that the claimed limitations are taught. For example, Konheim does not teach or suggest: an authorization token. Therefore, the claimed limitations are not obvious in view of Allen and Konheim.

The cited art does not teach or suggest the limitations of independent claim 1. Thus, independent claim 1 is patentably distinct, and claims 2-26 are patentably distinct for at least the same reasons as claim 1. Applicant respectfully submit that the Examiner has failed to establish a *prima facie* case of obviousness for Claims 2, 8, 9-12, 15, 16, 18, 19-21, 23, 24 and 26 as the prior art references do not disclose, teach or suggest all of the claim limitations. Accordingly, Applicant respectfully request withdrawal of the § 103 rejections and allowance of Claims 2, 8, 9-12, 15, 16, 18, 19-21, 23, 24 and 26.

Added Claims

Claims 27 and 28 have been added. Claim 27 recites the limitation that the message is sent while the user is offline from the application server, and Claim 28 recites the limitation that the message is sent via email. Claims 27 and 28 are supported by the specification and thus do not present new matter. For example, page 4, lines 11-12 of the Specification recites, "the end user transmits the transaction object and the token to the application server as an email message, without the necessity of logging back onto the application server." Independent Claim 1 recites the message contains the transaction object and the authorization token, and Claims 27 and 28 depend from Claim 1. Thus, the added claims do not present new matter.

Further, the added claims are patentably distinct. The instant invention recites obtaining an authorization token while online with a server and subsequently sending the authorization token and a transaction object to the server in a message (e.g., e-mail message) such that the transaction object is executed upon authorization of the authorization token. Using the claimed authorization token, the transaction object of the instant invention can be executed without requiring the user to reconnect to the server. In contrast to the limitations of the pending claims, Allen teaches obtaining a token while on-line with a provider server, using the token while off-line from the provider server, and subsequently redeeming the token by reconnecting to the provider server.

Applicant has now made an earnest attempt to place this case in condition for allowance. Other than as explicitly set forth above, this reply does not include an acquiescence to statements, assertions, assumptions, conclusions, or any combination thereof in the Office

Action. For the foregoing reasons and for other reasons clearly apparent, Applicant respectfully requests full allowance of Claims 1-28. The Examiner is invited to telephone the undersigned at the number listed below for prompt action in the event any issues remain.

The Director of the U.S. Patent and Trademark Office is hereby authorized to charge any fees or credit any overpayments to Deposit Account No. 50-3183 of Sprinkle IP Law Group.

Respectfully submitted,

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